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October 4, 2004

Marlene R. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: Ex Parte, CC Docket Nos. 99-68, 01-92

Dear Ms. Dortch:

The Connecticut Internet Service Providers Association, Inc. ("CTISPA")<sup>1</sup> hereby submits these *ex parte* comments in the above dockets. For the reasons set forth below, we urge the Commission not to impair the availability of so-called VNXX or VFX services from which Internet service providers ("ISPs") benefit today.

Despite the increasing availability of broadband Internet access, many thousands of end users nationwide continue to rely on dial-up access to reach the Internet. These tend to be disproportionately lower income or rural Americans, who lack other available and affordable means to connect to the Information Superhighway. Serving dial-up users continues to be a major focus of CTISPA members and other Internet service providers. Our ability to offer affordable dial-up Internet access depends largely on our ability to obtain local network access from competitive local exchange carriers ("CLECs") at reasonable prices, and to gain efficiencies by collocating our servers at the CLEC's switch site or some other convenient central location.

CTISPA is very concerned to hear that the Commission is being asked to change or reinterpret its intercarrier compensation rules for ISP-bound calls in a way that would effectively eliminate the competitive options ISPs enjoy today. In our experience it is no longer typical or economical for an ISP to place each server physically in the local calling area from which dial-up calls originate, particularly in rural areas where the population may not be dense enough to support a separate server site. The dial-up end user does not know or care whether the ISP's server is located in the next block, the next county, or the next state, so long as the ISP can be accessed by dialing a local call. If ISPs were forced to place each server in its own local calling area, most of our members would have to reduce their coverage areas or raise their

<sup>&</sup>lt;sup>1</sup> For more information about CTISPA, please see our website, http://www.ctispa.org.

prices. Either way, a significant portion of today's dial-up customers could lose their ability to reach the Internet.

Further, even if ISPs continued to collocate servers at CLEC's switch sites after a change in the intercarrier compensation rules, the cost of providing dial-up service would more than exceed the cost of current broadband services, which lower income Americans and rural Americans simply cannot afford today.

Finally, the Commission must also look at the hypocrisy of the ILECs, many of whom today offer a similar product to ISPs. For example, the Southern New England Telephone Company (a subsidiary of the megagiant monopolist SBC) offers INAS service which allows an ISP to obtain local telephone numbers throughout Connecticut and locate its servers in one central location.

We urge the Commission to maintain the status quo and avoid causing havoc in the dial-up Internet market and depriving millions of the less fortunate and rural Americans from Internet access.

Respectfully submitted,

Brad Mondschein Executive Director Connecticut Internet Service Provider Association, Inc.